

**EXHIBIT 7**

**Clear Channel Communications, Inc.  
2000 Shareholder Report**

*How many ways has*

*today?*

*radio  
outdoor  
entertainment  
television  
internet*



**How many ways has Clear Channel reached you today?**

Have you listened to the radio? On your commute have you seen outdoor displays? Have you attended live entertainment events - concerts, theater, sports or family performances? Have you watched television? Have you used the Internet to purchase concert tickets or view your favorite radio station website? Much of what you see and hear each day is brought to you by Clear Channel Communications, Inc.

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*In millions of dollars, except per share data*

### Net Revenue

2000	\$5,345.3
1999	2,678.2
1998	1,350.9
1997	697.1
1996	351.7
1995	250.1

### Operating Cash Flow <sup>1</sup>

2000	\$1,864.6
1999	1,046.0
1998	583.7
1997	302.7
1996	153.4
1995	112.6

### After Tax Cash Flow <sup>3</sup>

2000	\$1,282.0
1999	752.8
1998	381.6
1997	192.7
1996	101.6
1995	68.2

### After Tax Cash Flow Per Share <sup>4</sup>

2000	\$2.78
1999	2.24
1998	1.53
1997	1.05
1996	.68
1995	.49

	2000	1999	2000 vs 1999 % Change	1998	1999 vs 1998 % Change
Net revenue	\$5,345.3	\$2,678.2	100%	\$1,350.9	98%
Operating cash flow <sup>1</sup>	1,864.6	1,046.0	78%	583.7	79%
EBITDA <sup>2</sup>	1,722.0	975.9	76%	545.9	79%
After tax cash flow <sup>3</sup>	1,282.0	752.8	70%	381.6	97%
After tax cash flow per share <sup>4</sup>	\$ 2.78	\$ 2.24	24%	\$ 1.53	46%

<sup>1</sup> Defined as net revenue less operating expenses.

<sup>2</sup> Defined as operating cash flow less corporate expenses.

<sup>3</sup> Defined as diluted net income before unusual and non-recurring items plus non-cash items (including nonconsolidated affiliates). Prior year amounts have been restated to be consistent with the Company's definition for the year 2000.

<sup>4</sup> All per share amounts have been adjusted to reflect stock splits.

photo | Alexander's Fine Portrait Design



Lowry Mays | Chairman and Chief Executive Officer

record financial  
performance & *strong growth*

**Dear Fellow Shareholders,**

I am pleased to report that Clear Channel Communications posted record financial performance in 2000. The past year was an exceptional one for our Company. We enjoyed continuing operating success in our core businesses. We closed the acquisitions of AMFM and SFX Entertainment, key components to our Company's long-term strategic direction, and continued our expansion in the United States and overseas. We have created a platform of highly complementary media and entertainment assets that we believe is unparalleled, one that will provide new and innovative ways for our clients to market their products and services and continued growth for our Company.

The theme of this year's shareholder report is "reach." Clear Channel reaches many of you each and every day. Whether it is through one of our radio or television stations, outdoor displays, live entertainment events or websites, you have most likely seen or heard us today. The combination of our Company's media and live entertainment assets positions us to help our clients reach their customers with a range of products at the local, regional and national levels.

**Financial Overview**

During 2000, after tax cash flow per share, the most important measure of our Company's financial performance, increased 24% from \$2.24 in 1999 to \$2.78 in 2000. We reported the best year in our Company's history with net revenues of \$5.3 billion, up 100% over 1999, and operating cash flow of \$1.9 billion, an increase of 78% over 1999. We are proud of this performance which was the result of the strength of our managers and employees, the strong growth characteristics of the industries in which we operate and our financial discipline.

**Our Operating Divisions**

We are committed to a decentralized and flexible operating structure allowing our managers within each business unit and operating division to be entrepreneurs. Our record of superb operating performance proves that this structure, coupled with the best managers in the industry, is successful. Our managers have demonstrated the ability to grow revenues and operating cash flow internally. We have supplemented this growth with strategic investments during 2000. Most importantly, we completed the acquisition of AMFM creating a national radio footprint. We now broadcast in 88 of the top 100 markets and take to the airwaves in all 50 states. Our acquisition of SFX Entertainment allows us to take advantage of the natural synergy between radio and live music events and to gain immediate leadership in the highly attractive live entertainment industry. We also invested in additional radio and outdoor advertising assets to continue to strengthen our clusters and markets.

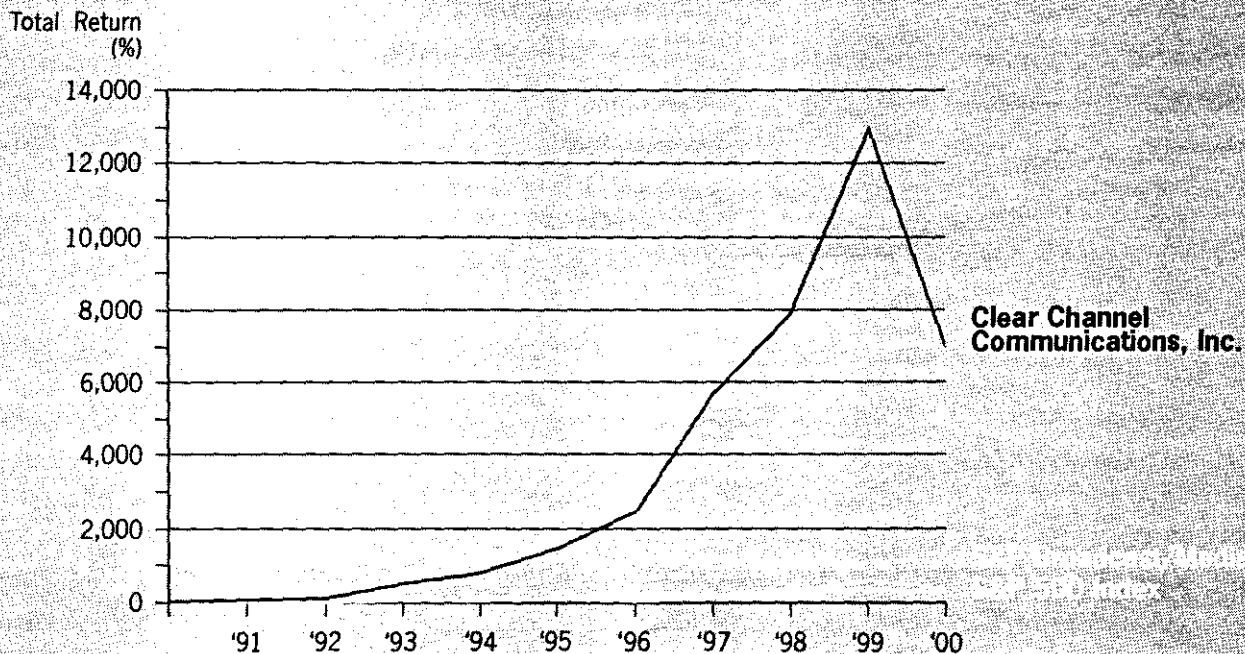
## Radio

Our radio division had a very strong year of internal growth, benefiting from a robust advertising market and superior management at the local level to record double-digit revenue and operating cash flow growth on a year-over-year basis. In addition, our radio clusters outperformed our peers in the markets we serve during 2000. The combination of our broad portfolio of radio and other media and entertainment assets with AMFM's portfolio of well-clustered, well-managed and highly rated radio operations gives our Company the programming, management and distribution resources to best serve the needs of advertisers in an exciting and growing marketplace. The national footprint created by the AMFM acquisition in August 2000 makes our Company the only radio company able to deliver targeted messages for specific audiences to advertisers on a local, regional and national basis. The acquisition of SFX created opportunities for additional revenue streams from cross-selling and cross-promotion between the radio and entertainment divisions.

## Outdoor

During 2000, our outdoor advertising division generated year-over-year double-digit revenue and operating cash flow growth. Outdoor advertising, similar to our radio division, benefited from a strong advertising market. The outdoor renaissance that we frequently speak about continued with the entrance of new advertisers to the medium and consolidation economics as we filled out our international markets with "tuck-in" acquisitions. We entered eight additional countries during 2000 giving us an outdoor advertising presence in 43 countries outside the United States. We now operate approximately 700,000 outdoor displays worldwide including bulletin boards, poster panels, wallscapes and street furniture displays. Outdoor advertising continues to be viewed as a high-quality, low-cost method for advertisers to reach their customers.

## Ten-Year Common Stock Performance | CCU

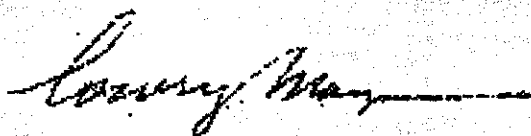




In August 2000, we acquired SFX Entertainment adding a new component to the mix of marketing solutions our clients can utilize to reach their customers. SFX, known throughout the world for concert events, is more than music. Our entertainment division produces, promotes and presents events in music, theatre, family entertainment and motor sports. We consider this acquisition and our entry into live entertainment to be a natural extension of our existing radio operations and a critical part of our long-term strategy. We made significant progress in the integration of SFX' operations and successfully shifted its culture from being an aggregator of assets to an operator. Our live entertainment division coupled with our other media assets gives our Company a deep breadth of resources in management, programming and distribution. Ultimately, this will allow us to leverage our combined marketing and promotional strength to help our customers sell their products and services.

As 2001 begins, we look forward to continued leadership in the markets we serve and in the media and entertainment industries. We believe we have combined a unique and complementary set of media and entertainment assets in a platform that will provide enhanced marketing solutions for our clients and allow us to reach our long-term goal of achieving growth well into the future for our shareholders.

To the over 55,000 members of our team who made this year's successes possible, I personally thank you. And to our shareholders, you may continue to expect that our team is committed to enhancing the long-term value of your investment.



Lowry Mays  
Chairman and Chief Executive Officer  
February 26, 2001

### STRATEGIC DIRECTION

Our Company continues to be committed to its proven corporate strategy:

- Decentralized, flexible, entrepreneurial business units that place an emphasis on simplifying structures and procedures,
- Sound, centralized financial management,
- Growth through internal expansion of existing operations supplemented by strategic acquisitions,
- Internal capital investment to improve quality and market leadership,
- Insistence on adherence to the highest standards of integrity and business conduct, and
- Significant attention to long-term strategic planning.





**Mark Mays** | *President and Chief Operating Officer*

Our primary mission and our business is to help customers sell their products and services. This defines our Company. To accomplish this we have combined complementary media and entertainment assets that allow our clients to reach their customers in an effective and efficient manner. Our employees' focus on our mission has been a key to our success. Another has been our management philosophy. We hire the best managers in the industry and allow them to be entrepreneurs in decentralized, flexible business units while maintaining strong, centralized financial discipline.

Outdoor advertising and radio are the dominant media which reach people when they are out of their homes. We are also finding that our entertainment venues provide an excellent forum for sponsorship opportunities for our advertisers to reach this attractive out-of-home audience. Revenues in out-of-home media have grown at significantly faster rates than in-home media, such as newspapers and television. We believe this trend will continue. The main reason for this is simple. People are spending more and more time out of their homes, due primarily to increasing traffic congestion. Meanwhile, the number of outlets to reach this increasingly mobile society is fairly constant. This enables out-of-home media to be increasingly efficient advertising conduits for our advertisers to reach their end consumers relative to other advertising alternatives. Unlike in-home media, radio, outdoor and live entertainment events can create an impression in the consumer's mind closest to the point of sale. We believe this trend will allow out-of-home media to continue to increase their share of advertising spending.

After tax cash flow per share is the most important measure of the Company's financial success. It is the best measure of the true cash earnings of the Company. A large part of the Clear Channel's assets are intangibles, such as radio and television station licenses, outdoor advertising permits and goodwill from acquisitions. According to Generally Accepted Accounting Principles, the Company must deduct a portion of the value of its intangible assets and charge that deduction against earnings. These deductions are non-cash charges, which we believe are misleading as they suggest that those assets are declining in value. The end result of deducting these non-cash items against our earnings is to unfairly decrease our net income, which in turn decreases our earnings per share. In order to adjust for this and more accurately reflect the true earnings of the Company, we add back these non-cash charges to earnings to get after tax cash flow, which is then divided by the Company's weighted average outstanding shares to calculate after tax cash flow per share. There is currently a proposed accounting standard on business combinations and intangible assets that would require intangibles to be accounted for in a manner similar to our treatment in after tax cash flow. That is, certain intangibles and goodwill would not be amortized and no deduction would be taken against earnings. The proposed statement is expected to be finalized in 2001.



**Randall Mays** | *Chief Financial Officer*

**Why did you decide to get into the live entertainment business?**

We have been in the live entertainment business for many years producing and promoting events through our radio station operations. The acquisition of SFX Entertainment allows us to take further advantage of the natural synergy between radio and live music events. We believe the SFX acquisition brings valuable entertainment assets to our Company that when combined with our other media assets creates a powerful platform of products to help our clients more effectively and efficiently reach their customers. Additionally, it creates an exceptional combination of assets with which we can exploit other opportunities such as our Internet initiatives and digital music strategies.

**You have made a considerable number of acquisitions over the past few years. Are there still opportunities for future acquisitions?**

While we have been very acquisitive in the past, we are, and will remain, an operating company. We have had success with acquisitions primarily because of our ability to integrate them into our existing businesses. By taking the best operating practices from each of our acquisitions and melding them into the Clear Channel family we have been able to create a business environment in which the best idea wins and superior financial returns are realized. The primary source of earnings growth in our Company is not from acquisitions, but from internal operations, which we believe will produce approximately \$2 billion in after tax cash flow over the next twelve months. We consider three opportunities for the use of the substantial free cash flow our Company generates - acquisitions, reduction of debt and/or repurchase of Clear Channel stock. In deciding how to utilize our free cash flow we evaluate each of these alternatives to determine which provides the best return for our shareholders. As in the past, we will continue to be opportunistic about reinvesting our cash flow, and we believe there will be acquisition opportunities both domestically and abroad. Be assured that we will continue to maintain our strict financial disciplines with regard to acquisitions and our use of free cash flow to augment shareholder value.

**What will be the growth drivers for Clear Channel going forward?**

We are fortunate that each of our primary lines of business - radio, outdoor and live entertainment - are great growth businesses. We expect for these businesses to continue to grow in both good and bad economic times. We have consistently outperformed each of the industries in which we operate. As we enter a new stage in the development of our Company, we believe that the unique platform we have created by bringing together these high-growth, very complementary businesses will allow us to provide new and innovative ways for our clients to market their products and services. This ability to provide better services for our advertisers and ultimately sell more of their products will drive the growth for our Company going forward. Ultimately, the task of executing this plan depends upon the performance of our entrepreneurial managers and their employees. They continue to find new and creative ways of doing business that allow us to once again state that we unquestionably have the most talented employees of any company in our industry.

- | Lowry Mays and Red McCombs form San Antonio Broadcasting Company to acquire KEEZ- FM (now KAJA-FM) in San Antonio, Texas for \$125,000.
- | Acquired WOA-AM. This was the Company's first "clear channel" radio station, which means it was designated with its own frequency nationwide.  
Company name is changed to Clear Channel Communications, Inc.
- | Initial Public Offering at today's split-adjusted price of approximately \$0.43 per share.  
Acquired Broad Street Communications Corporation increasing the Company's radio assets to six FM and six AM stations in seven markets.
- | Acquired WHAS-AM & WAMZ-FM in Louisville, Kentucky, the Company's largest acquisition to date.
- | Entered the television business with the acquisition of WPMI-TV, Channel 15 in Mobile, Alabama / Pensacola, Florida.
- | Acquired additional television stations in Tucson, Arizona; Jacksonville, Florida; and Tulsa, Oklahoma.  
Created a Sports division, Clear Channel Sports, which owns the radio rights to broadcast certain NCAA sports events.
- | A fifth television station was added with the acquisition of KSAS-TV in Wichita, Kansas.
- | Acquired the 78-station affiliate Kentucky Network, a news, sports and information network servicing radio stations throughout Kentucky.
- | Federal Communications Commission passes duopoly rules allowing for ownership of two FM and two AM radio stations in a market.  
Acquired WPTY-TV, a FOX Television affiliate in Memphis, Tennessee.  
Acquired radio stations in New Haven, Connecticut; Wichita, Kansas; Richmond, Virginia; and Tampa, Florida.
- | Acquired radio stations in San Antonio, Texas; Austin, Texas; Richmond, Virginia; and Oklahoma City, Oklahoma.  
Acquired television stations in Memphis, Tennessee; Minneapolis, Minnesota; and Tulsa, Oklahoma.
- | Obtained listing of Clear Channel Communications, Inc. Common Stock on the New York Stock Exchange, traded under the symbol CCU.  
Acquired radio stations in Houston, Texas; Cleveland, Ohio; Oklahoma City, Oklahoma; Miami, Florida; and Tampa, Florida.  
Acquired television stations in Albany, New York and Little Rock, Arkansas.
- | Broadcasting assets totaled 43 radio stations and 16 television stations in 32 markets.  
*The Wall Street Journal* named Clear Channel Communications the eighth best performing stock over the previous ten years.

- 1995** | Acquired radio stations in Houston, Texas and television stations in Harrisburg, Pennsylvania and Jacksonville, Florida.
- Acquired an equity interest in Heftel Broadcasting Corporation (now Hispanic Broadcasting Corporation), the leading Spanish-language broadcaster in the United States.
- Acquired a 50% interest in Australian Radio Network Pty Ltd., the second largest radio group in Australia.
- 1996** | Telecommunications Act of 1996 passed by Congress.
- Acquired 49 radio stations in 20 markets.
- Acquired a 33.3% interest in the largest radio group in New Zealand.
- 1997** | Added to the widely followed S&P 500 Index in recognition of the Company's industry leadership.
- Emerged as a leader in the outdoor advertising industry with acquisition of Eller Media Company and announcement of acquisitions of Universal Outdoor and More Group Plc.
- Continued expansion of radio division adding 70 stations, bringing the total number of stations owned or programmed to 173; most notable was the acquisition of 43 stations from Paxson Communications Corporation.
- 1998** | Announced acquisition of Jacor Communications substantially enhancing the Company's radio presence.
- Continued expansion of radio division by adding 38 stations, bringing the total number of stations owned or programmed to 204.
- Completed acquisition of the More Group Plc, an outdoor advertising company with a presence in 25 countries around the world.
- Completed acquisition of Universal Outdoor and its integration into the Company's outdoor advertising division.
- Acquired a 40% interest in Grupo Acir, the largest operator of radio stations in Mexico.
- 1999** | *The Wall Street Journal* ranked Clear Channel as the fifth best-performing stock of the nineties.
- Completed the Jacor acquisition bringing the total number of radio stations owned or programmed to 625.
- Announced acquisition of AMFM, Inc. creating a national radio platform.
- Acquired Dauphin, a European outdoor advertising company.
- 2000** | Completed acquisition of AMFM, Inc.
- Acquired SFX Entertainment, Inc., one of the world's largest diversified promoters, producers and presenters of live entertainment events.
- Acquired outdoor assets of Donrey Media, Taxi Tops and Ackerley Media increasing the outdoor division's presence in the United States.
- Continued expansion in radio and outdoor, bringing the total number of worldwide radio stations owned or programmed to 1,376 and total outdoor advertising displays to approximately 700,000.

*reaching over*  
**110 Million**  
U.S. radio listeners  
*every week*

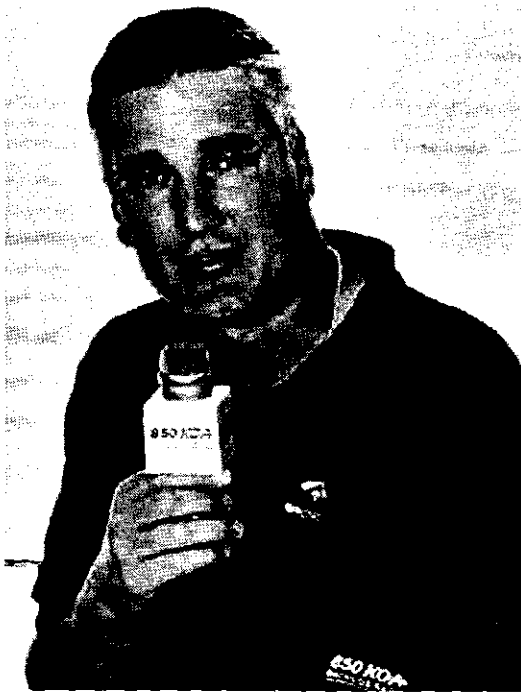
RADIO HIGHLIGHTS:

1,140 radio stations in nearly 300 United States markets

Radio stations in 47 of the top 50 markets

180 million listeners weekly through Premiere Radio Networks

236 radio stations outside the United States



Radio, 850 KOA-AM | *Scott Hastings*



Radio, WROO-FM Rooster Country 107.3 | *Dixie*



Radio, KRFX-FM, 103.5 The Fox | *Robbie Knight*



Radio, 760 KTLK-AM | *Jerry Bell*



Radio, KBPI-FM 106.7 | *Susie Wargin*



Radio, WPLA-FM 93.3 | *Klinger*



Premiere Radio Networks | *Dr. Laura Schlessinger*



Radio, WHRK-FM, K-97 | *Stan Bell*

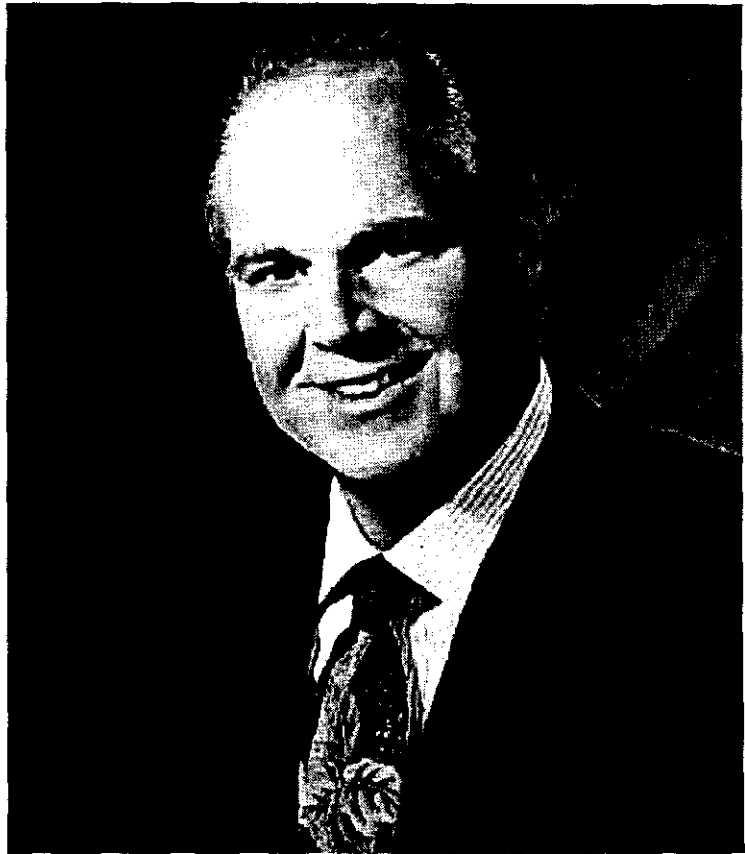


Radio, WFKS-FM, KISS-FM 97.9 | *Brent*



Premiere Radio Networks | *Jim Rome*



Premiere Radio Networks | *Rush Limbaugh*

One out of every 10 radio stations across the United States broadcasts under the Clear Channel banner, which makes for a tremendous impact both with our listeners and with our advertisers. Clear Channel's 1,140 stations bill a formidable 20 percent of total industry revenue. Quite frankly, no one is bigger, better or more intense than Clear Channel's radio division. And absolutely no one takes radio more seriously. Clear Channel's radio division is all about the twin dynamics of growth and reaching out, allowing listeners a dependable – and even familiar – forum to stay in touch with their world. Clear Channel broadcasts in every top 10 market and in 47 of the top 50. These stations take to the airwaves across all 50 states, in almost every major market, reaching nearly every demographic with dozens of distinct formats ranging from News/Talk to New Wave. Clear Channel radio stations generated nearly half of the company's total revenue in fiscal year 2000.

Clear Channel radio's mission is to broadcast the best programming to the broadest audience, while at the same time providing exceptional value to advertisers. The Company's programming dream team helps transfer the sound of big-market programming to small-market stations ... and uses the most up-to-date technology to keep the flavor local. Outstanding listenership is proof audiences gravitate to the best: Clear Channel stations broadcast to more than 110 million listeners every week. Arbitron® ratings for Clear Channel radio stations deliver constant feedback on how we're doing. Strong ratings generate strong advertising demand. Advertisers can pinpoint their targeted demographics at a fraction of the cost of traditional print advertising.

Clear Channel made radio history in 2000, collecting strategic acquisitions and completing mergers designed to provide the company with a unique, unduplicated collection of assets. The acquisition of AMFM, the largest in radio history, was completed on August 30, nearly doubling the Clear Channel radio station portfolio. AMFM brought strong stations and a large market presence to the company. In addition, Katz Media Group joined the Clear Channel family with the AMFM acquisition. The opportunities for synergies among Katz and the other Clear Channel divisions are explosive ... and in the very early stages.



The acquisition of AMFM created the first national footprint for radio. Clear Channel is the only radio company able to deliver targeted, geographically specific audiences to advertisers. But size is far less relevant than the capacity to manage it. Clear Channel has that know-how.

In Ohio, for example, Clear Channel operates 80 radio stations in every major city and throughout dozens of small markets ... small markets that collectively represent more than one million people. Clear Channel account executives are offering to "Super Size" major market buys to include smaller, "sister" markets that an advertiser might not otherwise target, but are within his or her regional trade area. For the first time, "Super Sizing" the buy makes it cost-effective to reach these customers with radio. By "Super Sizing" Toledo, an advertiser can reach Sandusky, Findlay, Defiance, Lima and Tiffin, reaching further into the target market with only marginal cost.

The result: Clear Channel is leveraging the power of the cluster to sell more spots on smaller stations with traditionally less demand. This is yield management at its best. It's also a win-win situation - Clear Channel provides an easy, regionalized buy to the advertiser, who then can reach a broader market. And listeners benefit by exposure to the "big-market" advertising message. "Super Size It" is spreading throughout Clear Channel markets in New York, Florida and across the country.

Across the board, Clear Channel radio division's dominance of the market allows our stations to share winning ideas that paint a clear picture of success for our clients. It's all part of a philosophy to leverage what we call "critical mass."

Clear Channel's national footprint allows the company to identify and execute new and unique promotional programs for its retail clients. These innovative approaches are targeted at increasing store traffic, and they act as a unique and successful "magnet" to draw droves of listeners to clients' business outlets. In one exciting example, retailers across more than 60 markets participated in a group PT Cruiser giveaway. Clear Channel stations with the targeted demographic heavily promoted the giveaway in each of the markets, identifying the store locations where listeners could go to register. The cost of the grand prize was shared across the markets, while at the same time retailers bought airtime to promote the giveaway and watched as store traffic increased.

With over 1,100 radio stations in nearly 300 markets, Clear Channel is just beginning to leverage its critical mass in these innovative, win-win promotions. There's much more to come.

Radio, KFMD-FM, 95.7 KISS-FM | Jo-Jo



### **All in the family: Clear Channel radio to the rescue**

Clear Channel radio stations are powerful weapons, especially when they unite to target a common goal. In Salt Lake City, for example, KNRS-AM was a fledgling news/talk station with declining ratings and market share. In a bold move, Clear Channel switched KNRS' format to Family Values Talk Radio, added Clear Channel marquee names such as Rush Limbaugh and Dr. Laura, and promoted the new KNRS widely on all six sister stations in the market. The results are nothing short of phenomenal. In the fall 2000 Arbitron sweep, KNRS' ratings were its highest in well over a year. Programming aimed at the local audience, strong headliners and sister station promotion is sending KNRS to the top in Salt Lake.

That's not all, either. Clear Channel is busy exploiting synergies both within and beyond the radio division. The San Antonio radio market, for example, where Clear Channel operates seven stations, teamed up with the entertainment division to lend on-air promotion to an SFX-sponsored "Monster Truck" event. The added airtime gave the event just enough publicity to push it over the top. SFX targets markets with high Clear Channel radio ratings, and this in turn assures broad cross-promotion, higher rates of sellout – and, of course, higher revenue.

### **Fast food for radio: Changing small-town markets forever**

With its broad geographic distribution and large market presence, Clear Channel radio attracts and airs some of the best, most talked-about talent in the industry. Clear Channel has taken its large-market, high-quality and high-ticket talent to the medium and small markets, changing small-town radio forever and giving listeners something they didn't always have: a choice. Using large-market production facilities and talent pools, Clear Channel creates high-quality programs that can be personalized for and adapted to the local market. Take Clear Channel's hugely successful contemporary hit radio "KISS" format that's rolling out across the country. The 32-station KISS network targets the 18-34 female demographic in markets ranging from Los Angeles to Chicago to Des Moines to Cincinnati. The wildly popular Jim Valentine and Rick Dees programs are produced on the West Coast and localized across many of the KISS stations using the power of digital repackaging. Everyone wins, thanks to lower production and promotion costs, higher ratings, higher revenues and better quality radio. It's just another example of how the Clear Channel radio division is reaching out to deliver new heights in performance, satisfaction and client success.

### **Live and local: Outreach to the community**

Clear Channel is constantly balancing the advantage of using syndicated talent while also maintaining strong, local appeal that strikes a resonant chord with listeners wherever they live. In this capacity, Clear Channel's radio stations excel at being the best citizens in their respective communities. Here are just a few examples:

- Each holiday season for the last eight years, Birmingham, Alabama, WMJJ Magic 96.5 has sponsored a community-based promotion dubbed the "Christmas Wish" for needy families. During December 2000, Magic raised a whopping \$40,000 in donations, and worked hard to fulfill as many Christmas Wishes for the community as possible.
- In Tampa, Florida, WXTB organized an auction that raised \$101,000 for the local children's home.
- In Memphis, Tennessee, WEGR management donated nearly half-a-million dollars in airtime to community causes, airing 1,080 public service announcements during the year. And that's just one station. Clear Channel radio facilities provide time, talent, promotional materials, prizes and innumerable services to their communities.

## Premiere Radio Networks | Leeza Gibbons



Premiere Radio Networks is the No. 1 radio network in the country featuring talent that stimulates talk and tune-in – they're provocative and conversational, in-depth and entertaining with names that are highly recognizable: Rush Limbaugh, Dr. Laura Schlessinger, Jim Rome, Art Bell, Matt Drudge, Rick Dees, Casey Kasem, Dr. Dean Edell, Bob (Kevoian) & Tom (Griswold), Phil Hendrie, Leeza Gibbons, Michael Reagan, Blair Garner, Carson Daly and others. Premiere provides national distribution of programming that complements the efforts of local radio stations with world class programming that they cannot generally produce or afford on their own. Syndicating more than 60 radio programs to over 7,800 radio affiliations, Premiere reaches over 180 million listeners weekly.

Since the entry of Premiere into audience measured network radio and the addition of AMFM Radio Networks (which was merged into Premiere), the network radio business has grown in revenue from \$500 million in 1996 to \$1 billion in 2000. The ability to deliver new network affiliates, along with greater clearances in all markets, especially in the major markets with top stations, has increased the broad advertising appeal of network radio. This type of evolution continues to ensure the Company not only reaches and empowers listeners with a steady diet of innovative programming, but it also enables advertisers to expand, extend and move forward in unique and cost-effective ways.

Using the unique assets of Premiere's national distribution platform, Clear Channel stations benefit from programming developments that utilize strong brands and superstar talents. For Clear Channel radio talent who have the potential for success at the national level, Premiere offers the distribution platform. Successful station shows such as Rick Dees in the Morning on Clear Channel's KISS-FM in Los Angeles is now syndicated nationally on over 30 outlets across America since its launch in 2000. The show initially was offered to Clear Channel stations, then made available to non-owned and operated stations to help build national distribution.

Premiere developed, in a joint effort, Fox Sports Radio using an established brand and resources from the Fox Television Group to create a new network that supplied programming to Clear Channel sports stations. In addition, in markets without a Clear Channel sports station, Premiere has been successful in gaining programming clearances for Fox Sports on stations that provide additional audiences for network sales.

But there's even more to come. This year, a weekend show called "American Top 40 Flashback with Casey Kasem" will utilize the archives of the popular countdown show to provide quality programming to Clear Channel stations developing a format focused on music from the 1980s. In this case, looking back also means going forward. Again, after first offering the show to Clear Channel stations, it will be made available for national syndication to stations in markets where there is not a Clear Channel 80s format.

Network radio will continue to develop popular personalities and brands that provide media credibility to local stations. For example, Premiere's two new programs with Carson Daly, host of the popular "Total Request Live" on MTV, is being brought to contemporary hit radio station affiliates on weeknights, while at the same time a second show will be targeted to alternative-music stations on weekends.

Premiere Radio Networks | Rick Dees



Premiere Radio Networks | Casey Kasem

The ability of network radio talents to seamlessly integrate content available on websites has driven national audiences in impressive numbers. In one month during the fall general election, Rush Limbaugh's website registered 66 million page views as reported by Nielsen//NetRatings November 2000 report. The "RushLimbaugh.com" site was launched only three months earlier, creating the potential for advertising packaging of terrestrial broadcasts, online (banner ads) and audio streaming (Internet broadcast). Other key Premiere websites include: Dr. Laura Schlessinger ([www.DrLaura.com](http://www.DrLaura.com)), Jim Rome ([www.JimRomeShow.com](http://www.JimRomeShow.com)) and Coast to Coast ([www.ArtBell.com](http://www.ArtBell.com)), an overnight show that focuses on all things unexplained.

The ability of Premiere Radio Networks' on-air talent to inspire responses from audiences has in turn benefited charities across America, sending a strong message that we are good neighbors and that we care. The Dr. Laura Foundation provides support for abused and neglected children, while talk host Phil Hendrie has raised money on-air for groups such as "My Friend's Place" Resource Center, which assists homeless youth in the community. The outpouring of help for charitable causes doesn't stop there. Outside of the studio, personalities such as Casey Kasem work with anti-discrimination groups, while talk-show talent Michael Reagan supports the Starlight Foundation.

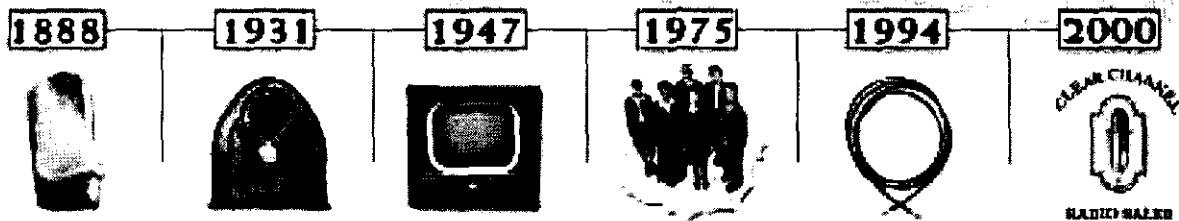


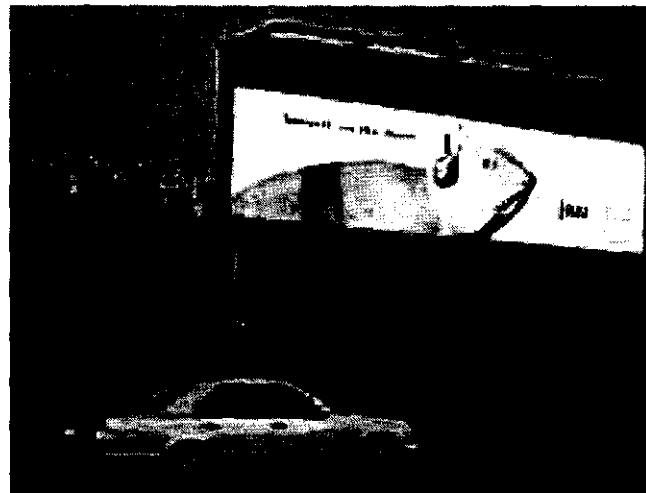


In 1888, Emmanuel Katz opened the E. Katz Special Advertising Agency in New York and the first media rep firm was born. Today the Katz Media Group is the largest media representation firm in the United States, representing more than 2,000 radio stations, 368 television stations and growing interests in cable television stations. The formula for success is simple: Katz has remained the industry leader during the years by continually responding to an ever-changing media landscape.

The business is based on strong relationships with partnership stations and agencies where Katz personnel are viewed as the best sales professionals in the industry. Given its critical mass as the largest television and radio representative, Katz is strategically positioned to continue providing superlative service to customers, the agency community and client stations by acting as a catalyst to develop new business opportunities. Katz is actively pursuing new ventures that will keep the group in the forefront of an evolving media world. Through the creation of local television e-mails and new advances in EDI technologies, Katz will continue to meet tomorrow's challenges. And, by being a part of Clear Channel, Katz is poised to enjoy new possibilities.

The new Clear Channel Radio Sales is Katz' national sales organization dedicated to the more than 1,100 Clear Channel radio stations nationwide. Clear Channel Radio Sales' national footprint provides advertisers with the reach of 110 million radio listeners nationally with local targeting opportunities. Now, one firm can offer advertisers an unprecedented array of in and out-of-home advertising and promotional opportunities.



International Radio, London | *Jazz FM*

Clear Channel is reaching the global community through its international radio operations. During 2000, the Company increased its global presence and currently has involvement in 236 stations outside the United States through joint ventures, equity participation and direct ownership. Major investments include Grupo Acir (Mexico), Australian Radio Network, New Zealand Radio Network, Jazz FM (United Kingdom), Radio Bonton (Czech Republic) and Radio 1 (Norway).

Clear Channel's largest investment is in Australia. The nine-station cluster in major Australian markets including Sydney, Melbourne, Brisbane and Adelaide, coupled with a joint venture in Canberra give Clear Channel significant share of the growing Australian media market.

By station count, Clear Channel's leading international presence is in Mexico. Grupo Acir's 118 stations are spread across Mexico with a significant seven-station presence in Mexico City, the leading media market in Mexico.

Clear Channel's radio division is poised to remain at the forefront of its industry in the future. With the first national radio footprint and stations in almost every major market, Clear Channel radio can now deliver targeted messages for advertisers to reach specific audiences on a local, regional and national basis. We believe the national footprint in the United States coupled with our strong market and regional clusters throughout the world will enable Clear Channel to capture more advertising dollars in the years to come.

We also expect continued opportunities for our radio division to team with the other Clear Channel operating divisions. This teamwork will allow us to create new and exciting ways for our clients to market their products and services, driving growth and profitability for years to come.



*reaching*  
**44 Countries**  
with Clear Channel  
*outdoor*

ELLER HIGHLIGHTS:

153,500 outdoor advertising displays in North and South America operating under Eller Media Company

Displays in 48 United States markets, including 9 of the top 10

Ability to reach over half of the entire United States population and over 75% of the entire United States Hispanic population.

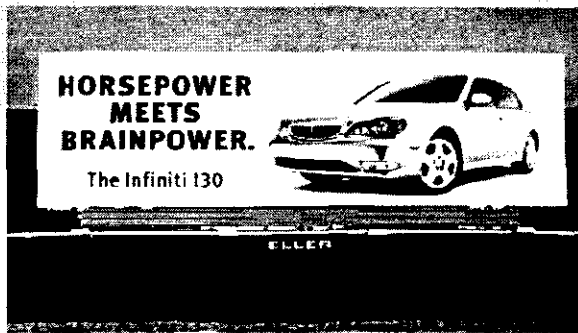
CLEAR CHANNEL INTERNATIONAL HIGHLIGHTS:

520,000 outdoor advertising displays in 43 countries outside the United States

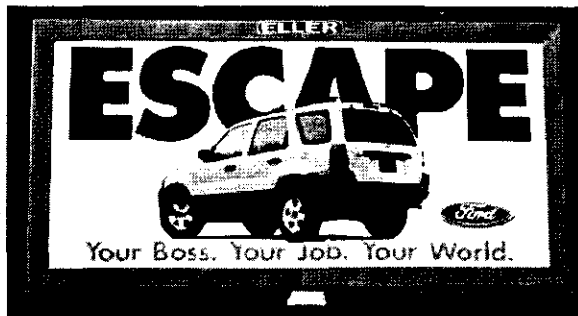
No. 1 or No. 2 in most major markets in Europe

ADSHEL HIGHLIGHTS:

Over 6,000 partnerships with municipalities and transit authorities around the world



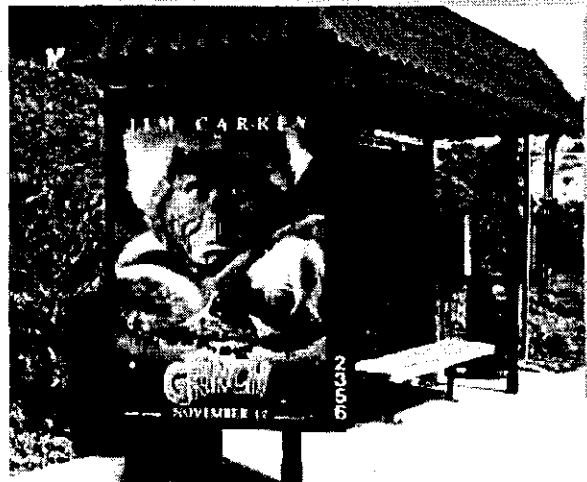
Eller Media Company | Bulletin display



Eller Media Company | Poster display



Eller Media Company | Wallscape



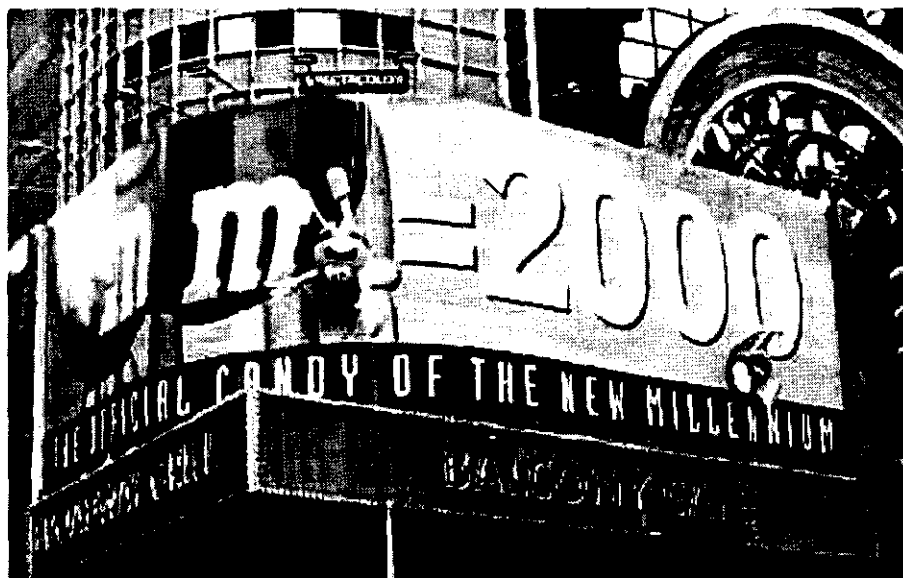
Eller Media Company | Shelter display

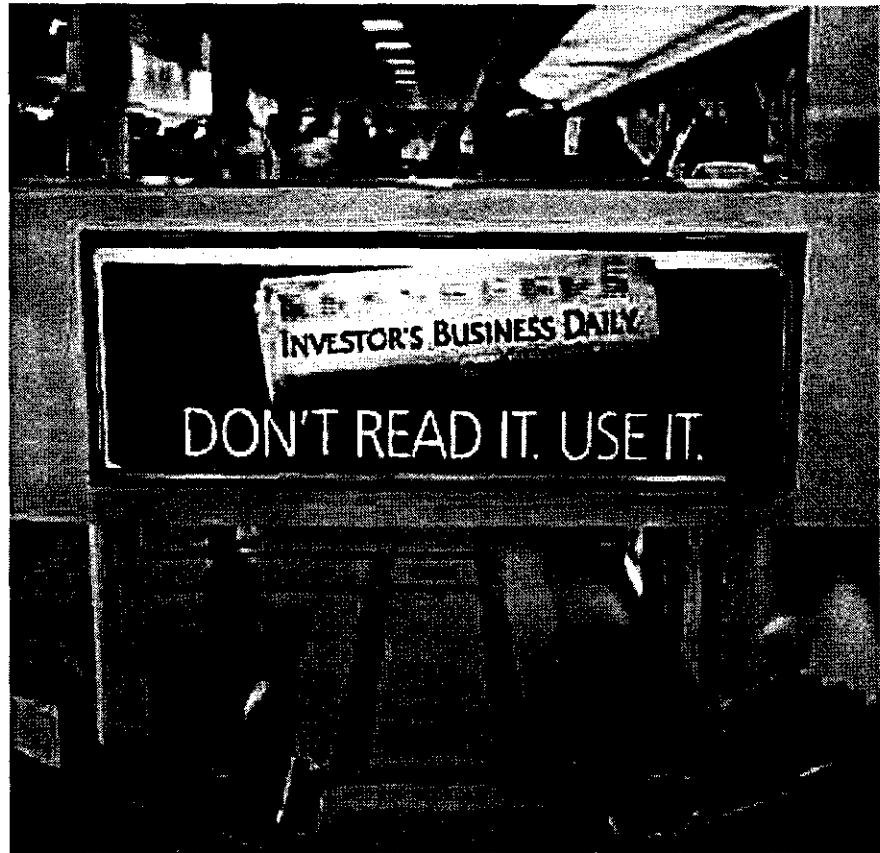


Eller Taxi Media | Vehicle display



Celebrating 100 years as the leader of outdoor advertising.





Recognized by Madison Avenue as the leading outdoor advertising company in America, Eller has built an unprecedented inventory of specialized advertising products uniquely tailored to meet the needs of the most aggressive advertising industry in the world. Eller provides outdoor advertising space through a variety of display products that include: bulletins, poster panels (30-sheet and 8-sheet), wallscapes, mobile trucks (panels), Premiere Panels®, Premiere Squares®, street furniture displays, taxi displays, commuter rail displays and transit displays.

Focusing on the country's top metro markets, Eller displays can be found in 48 markets including 9 of the top 10 and 20 of the top 25.

Eller celebrates its 100th anniversary in 2001. Eller's heritage is built on the strong leadership provided not only to clients, but also to the industry. Over the years, Eller has constantly found ways to provide the most complete customer service in the outdoor industry. Clients receive the most advanced research and audience measurement tools in the trade to reach their target consumers. Eller's creative artists help clients visualize their ideas in an effective outdoor advertising message using the most sophisticated graphic design software. The operations department prides itself on providing clients a high-quality product they both build and maintain. Clients receive superb product placement from Eller's leading real estate department that continually develops the most desirable properties. In addition, Eller has always sought to be a partner with the communities they serve. The public affairs department works to meet the needs of hundreds of civic organizations across America. Together, Eller continues to build on a century of service.

Eller operates several outdoor advertising companies throughout North and South America. These companies operate under the following brands:

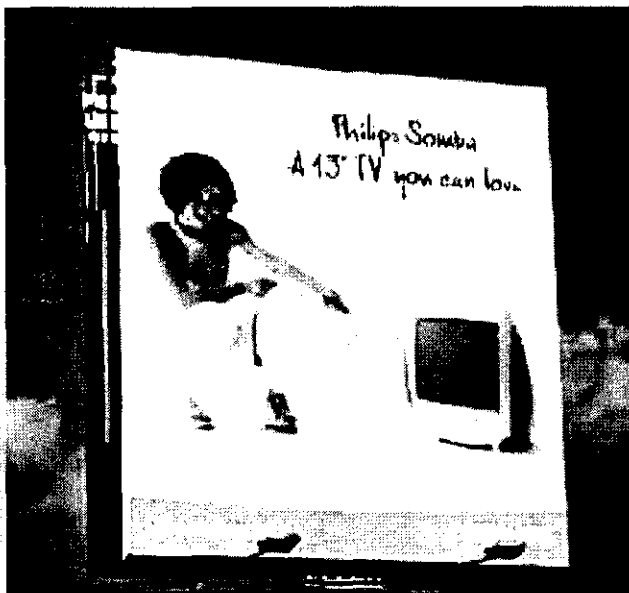
**Spectacolor** - Times Square is the most recognized center of the "billboard world." Eller has a significant presence in Times Square through its ownership of Spectacolor. One cannot watch a morning news show on network television without seeing several Eller displays prominently positioned throughout Times Square.

**Transportation Media Inc.** - Eller owns the No. 1 airport advertising company in the country, Transportation Media Inc. (TMI). TMI provides premiere advertising displays in 18 of the nation's busiest airports. TMI reaches 6 of every 10 business travelers each day, providing advertisers a cost-effective medium to reach this captive audience.

**Adshel Mall Communications Network** - Covering more than 400 malls nationwide with powerhouse products, service and expertise, Adshel Mall provides advertisers with integrated marketing opportunities never before available in these venues, including virtually all of the top 40 mall markets.

**Eller Taxi Media** - Operating taxi advertising displays (tops, trunks and wraps) on about 8,400 taxis, Eller Taxi Media provides both new and traditional outdoor buyers an exciting new platform to reach their consumers with creative messages.

**Panapsa and Procom** - These Eller business units offer advertisers traditional outdoor displays in the leading markets of Peru and Chile, respectively.



Eller Media Company | *Premiere Squares®* display



Eller Media Company | *Premiere Squares®* display

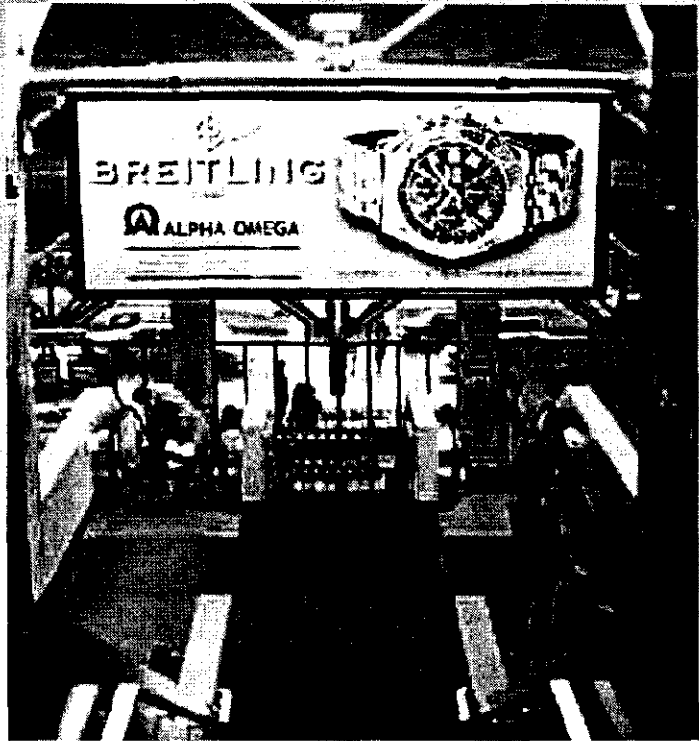
Eller Media Company | *Wallscape*



The Eller family grew significantly in 2000. The Company generated substantial internal growth and continued to fill out its existing markets and enter new markets. Highlights of the year's significant acquisitions include:

- The year began with the acquisition of Ackerley Media's Miami and West Palm Beach properties, dramatically increasing Eller's total number of outdoor products in these key Florida markets.
- Eller invested in Spectacolor, giving the Company both immediate leadership and market presence in the nation's most recognized outdoor advertising location - Times Square.
- The acquisition of Interstate Outdoor strategically added many key displays to already strong Philadelphia and New York markets.
- In September, Eller entered the taxi advertising industry with the acquisition of Taxi Tops, which operates in major markets in the United States. This unique medium is not only a stand-alone product, but it also gives the sales staff a creative new medium they can easily package with other outdoor advertising products.
- The acquisition of Donrey Outdoor added 10 new markets to Eller's portfolio. These markets were a perfect strategic fit with existing Clear Channel properties, strengthening Clear Channel's platform of media and entertainment assets.
- Finally, the year concluded with further development of Eller's South American presence through the purchase of Chile's leading outdoor advertising company, Procom.





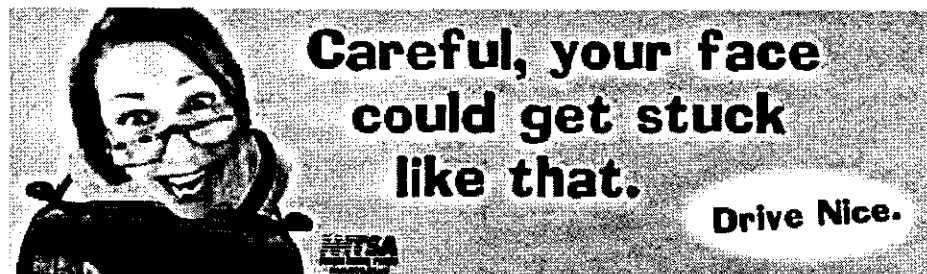
Although Eller had significant growth through acquisitions in 2000, even more important to note is the substantial growth in revenues and operating cash flow generated by existing properties. Eller's management team is unmatched in industry experience, a key to Eller's continued success. The team is committed to providing marketing solutions that leverage outdoor advertising and other Clear Channel assets to help clients sell their products and services.

Eller continues to evaluate and utilize technological advancements in every area of the business. In operations, Eller is researching new display formats, including cutting-edge electronic formats. In sales and marketing, Eller has continued to utilize new technologies to help advertisers target their desired audiences, evaluate creative executions, expedite proof of performance reporting and implement campaigns faster. These technological advances will contribute to Eller's continued growth.

#### Adshel Mall Communications Network | Mall displays







Eller Media Company | Community service bulletin displays

Eller is a responsible member of the communities it serves and takes a proactive role in making those communities better places to live. Each year, Eller donates millions of dollars worth of public service advertising space to nonprofit organizations across the country. Time and again Eller has proven the company is a good corporate citizen.

On a national level in 2000, Eller led the industry by assisting OAAA (Outdoor Advertising Association of America) with the creative execution and space donation for the National Highway Traffic Safety Administration's "DRIVE NICE" campaign. "DRIVE NICE" addressed aggressive drivers with a humorous approach: "Careful. Your face could get stuck like that," or "You'd kiss your kids with that mouth?" The artwork, which features irate drivers seeming to project from their cars, utilizes outdoor advertising to remind people of their driving behavior while they are actually driving.

Eller also donated space for many locally oriented public service campaigns. An example is the Los Angeles market's support of the Hispanic Scholarship Fund, an organization that aims to develop the next generation of Hispanic business leaders in America by awarding scholarships to deserving students.



France Rail Publicité, France | Rail display

### Clear Channel International

Clear Channel entered the international outdoor arena in June 1998 with the acquisition of More Group in the United Kingdom and has continued to expand internationally in the past two years. Currently, Clear Channel has outdoor operations in 43 countries outside the United States.

The European outdoor platform is now fully established following two years of significant organic growth as well as acquisitions. Clear Channel is either No. 1 or No. 2 in most major markets in Europe. Expansion continues into the Asia Pacific region. The outdoor industry in this region remains quite fragmented and relatively immature presenting opportunities for organic development and acquisitions.

### Passport to success: Reaching out to the global market

Clear Channel has achieved a position of leadership in European outdoor advertising that provides the foundation to increase the Company's reach by building new panels and upgrading sites with improved technology, ultimately growing operating cash flow. The outdoor industry in the Asia Pacific region is young and unfocused, yielding a great potential for increasing reach for advertisers in the region. In all countries, Clear Channel continues to work with advertisers to ensure their message gets through the clutter to reach their target audience.

The outdoor division is also making early strides to increase reach by cross-selling campaigns using all Clear Channel media properties (outdoor advertising, radio and entertainment). Examples include: a pan-Nordic outdoor and radio sales deal with a multinational consumer goods company wanting to centralize media buying and Jazz FM's successful use of Clear Channel outdoor media to increase audience and market share in London. In addition, Clear Channel continues to develop outdoor signage for SFX venues.



White Horse/Adshel, China | Shelter display

White Horse/Adshel, China | Shelter display



Adshel, Australia | Shelter display

### **Around the world: Clear Channel makes its mark**

Clear Channel continued to strengthen its presence, which in turn brought higher visibility and greater opportunities for clients to reach their customers. Some of the highlights include:

**Australia/New Zealand** – Clear Channel consolidated its position with shopping center contracts in Australia and eight exclusive street furniture contracts in New Zealand, more than tripling the company's number of panels in the country. Clear Channel delivered a "rapid post" campaign for Nike, installing posters congratulating Sydney Olympic Gold Medalists on bus shelter panels within minutes of the athletes' victories.

**China** – The outdoor division continued its expansion in the fast growing Chinese market building 2,000 street furniture panels in Beijing, Shanghai, Chengdu and Xian. Clear Channel now has 12,000 street furniture panels in 26 Chinese cities. Clear Channel introduced networks to the Chinese market allowing advertisers to reach millions of consumers in multiple cities with the same campaign.

**Finland** – Clear Channel acquired Posternet, extending the Company's presence from airport and highways into city centers with tram, subway and roadside advertising panels.

**France** – The acquisition of 80% of France Rail Publicité, the French national rail and bus advertising company strengthened Clear Channel's position in France. The outdoor division also obtained a majority stake in Defi, the leading European neon advertising company with displays in 18 countries. Adshel won the street furniture contract for Nantes, France's sixth largest city, and will build more than 2,000 panels.

**Greece** – The outdoor division formed a joint venture with Greek partner, Haidemenos, and won the advertising contract for Athens Airport, which opens in 2001, ahead of the 2004 Olympic Games in Athens.

**Italy** – Jolly, Clear Channel's Italian operating company, developed strong partnerships with two regional market leaders – Alessi (Sicily & Calabria) and Pubblì A (Rome). This strengthened the Company's position as the No. 1 outdoor company in Italy, the only company able to offer a national campaign.

**Poland** – The acquisitions of Idea Piu and Outdoor City increased market leadership in billboards and enabled entry into the street furniture market.



More Group, Sweden | *Shopping display*

**Spain** - The outdoor division nearly doubled its size during the year and is now the leading Spanish outdoor company. The acquisition of Equipamentos Urbanos was Clear Channel's entry into street furniture in Spain, which was then reinforced by acquiring the street furniture division of Urbaser (Dragados Group).

**Sweden** - Clear Channel won the industry award for being the best media sales company in Sweden. The acquisition of ShopTalk, an in-store radio and advertising company, strengthened the breadth of Clear Channel products clients can utilize to reach their customers.

**Switzerland** - Plakanda, Clear Channel's operating company, was voted the best Swiss outdoor company for the third year in a row. Contracts for the Zurich and Basel airports and a street furniture contract for the city of Bellinzona continued to strengthen Plakanda's position.

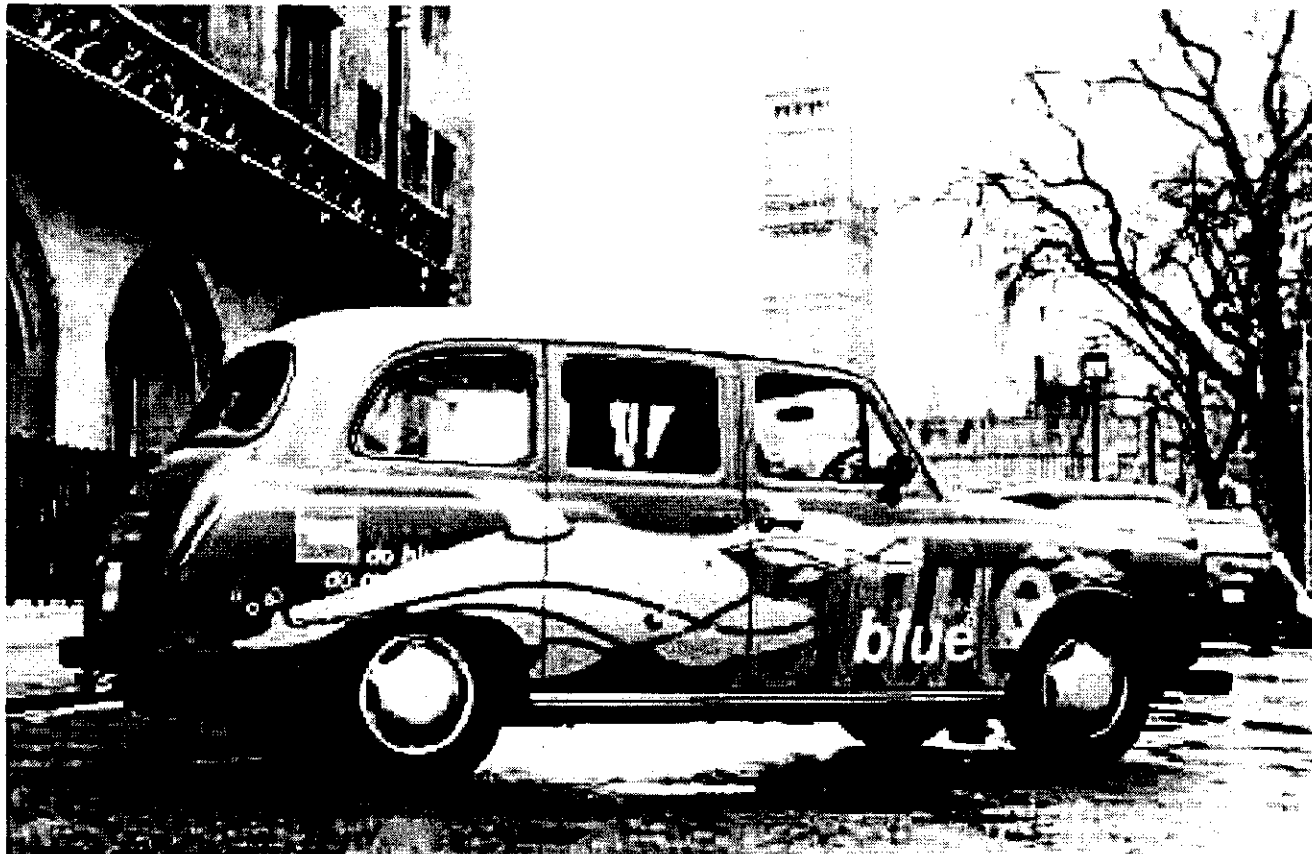
**United Kingdom** - Clear Channel added a new product with the acquisition of Barnett's Taxi Advertising, which offers vinyl taxi wraps and innovative interior displays. The outdoor division introduced the "Golden Square" format, the UK's first scrolling billboards, to the British market and won The Queen's Award for Enterprise.



Dauphin, France | *Community service poster displays*



Jolly Publicita, Italy | *Community service poster displays*

More Group, United Kingdom | *Taxi display*

Similar to other Clear Channel divisions, the international outdoor operations remain committed to being involved with the communities they serve. In 2000, the Company raised the bar on being a good neighbor in the global village. Examples include:

- The French business unit, Dauphin, supported the issue of Missing Children with a heavyweight billboard campaign. Running in conjunction with the Association for Help to Parents of Missing Children, the campaign increased the ability of parents to find their child anywhere in France and increased public awareness of the problem through national television, press and radio coverage.
- Jolly, the Italian business unit, promoted road safety by running a billboard campaign encouraging motor cyclists to wear helmets. The campaign won the government-sponsored Semaforo Verde award for social responsibility.

Adshel is Clear Channel's global street furniture brand with over 6,000 successful long-term partnerships with municipalities and transit authorities around the world. The Adshel product range is designed by some of the world's leading architects and industrial designers and is supported by the highest standards of service and maintenance. The advertising on selected Adshel products provides advertisers with an exceptional quality, high impact medium. Founded in the United Kingdom over 30 years ago, Adshel is now an award-winning provider of street furniture solutions and is active in 43 countries.

Adshel offers cities and municipalities an extensive range of world-class street furniture at no cost to itself or its citizens. Product range includes bus shelters, i+ electronic information points, SmartBike cycle schemes and automated public toilets. These street furniture products give cities and municipalities a way to provide public information and convenience while giving advertisers a way to reach consumers with creative messages.

Adshel has won a large number of contracts over the last year, in many locations around the world. Some of the most significant include:

Adelaide, Australia

Athens, Greece

Auckland/Wellington, New Zealand

Dublin, Ireland

Helsinki, Finland

Hong Kong

Milwaukee, United States

Orleans, France

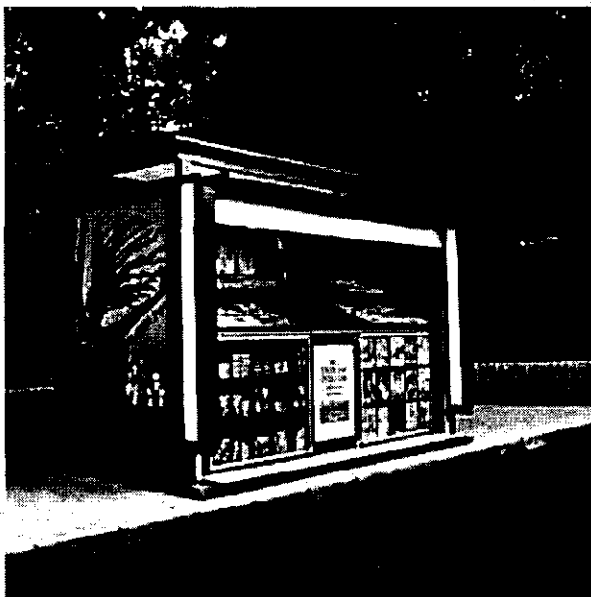
Singapore

Sydney, Australia

Verona, Italy

Zurich, Switzerland

Adshel, United Kingdom | i+

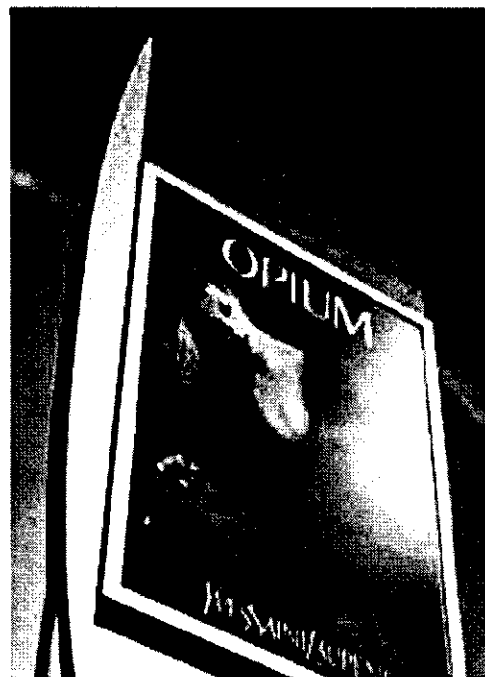


Adshel Centre | New Amsterdam newsstand

#### Adshel offers

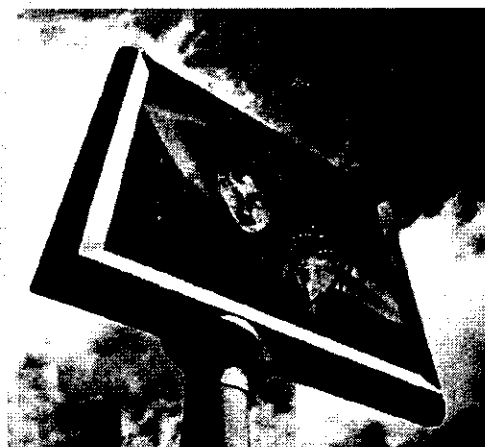
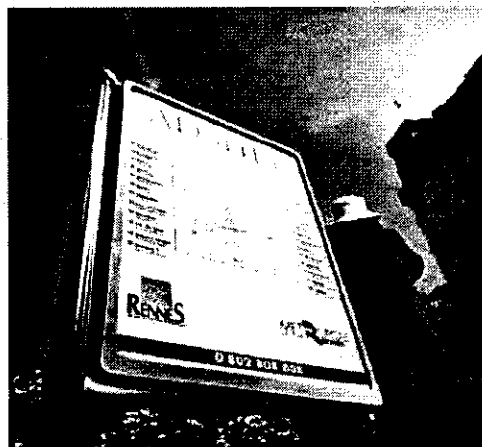
- Tailor-made design solutions
- Flexible product range
- Innovation
- Quality, service and maintenance
- Dedicated research and development
- Partnership approach
- Local vision and global support



Adshel, Rennes | *SmartBike*Adshel, United Kingdom | *display*

The outlook for the future of outdoor advertising is exciting. With the continued fragmentation of other media, outdoor advertising continues to strengthen its reputation as being the last true medium for the masses. Outdoor advertising gives the advertiser opportunities to reach the consumer just prior to the decision to make a purchase. Outdoor is big, bold and offers unlimited potential for advertisers to reach consumers where they live, shop, work and play.

Clear Channel strives to deliver the best possible return for each client's advertising dollar. Being part of the Clear Channel platform of media and entertainment assets affords our outdoor division the opportunity to strengthen client messages through the use of broadcast and entertainment vehicles. We continue to develop and seek additional outdoor markets and products that can capitalize on new and existing Clear Channel business units. Being a part of the Clear Channel platform increases the outdoor division's ability to educate media decision-makers about the power of outdoor products and its ability to reach consumers in an effective and efficient manner.

Adshel Centre | *LED display*Adshel, France | *Public Information Unit*Adshel, Belgium | *Shelter*